

Message Text

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ACTION EB-11

INFO OCT-01 ISO-00 IO-14 AGR-20 CEA-02 CIAE-00 COME-00

DODE-00 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00

NSC-07 PA-04 RSC-01 AID-20 CIEP-02 SS-20 STR-08

TAR-02 TRSE-00 USIA-15 PRS-01 SP-03 FEA-02 OMB-01

SWF-02 AF-10 ARA-16 EA-11 EUR-25 NEA-10 XMB-07 OIC-04

DRC-01 /252 W

----- 078089

R 261730Z APR 74

FM USMISSION GENEVA

TO SECSTATE WASHDC 5401

AMEMBASSY BELGRADE

AMEMBASSY BOGOTA

AMEMBASSY BONN

AMEMBASSY HONG KONG

AMEMBASSY ISLAMABAD

AMEMBASSY LONDON

AMEMBASSY MEXICO CITY

AMEMBASSY NEW DELHI

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY SEOUL

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

C O N F I D E N T I A L SECTION 01 OF 02 GENEVA 2614

MEXICO CITY PASS MINISTER JURICH

E.O. 11652: GDS

TAGS: ETRD, GATT

SUBJECT: TEXTILES SURVEILLANCE BODY

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1. GATT DIRGEN LONG CONVENED INFORMAL MEETING TEXTILES

SURVEILLANCE BODY (TSB) AFTERNOON APRIL 22 FOR PUROPSE
INTRODUCING TSB CHAIRMAN AMB WORTH AND FOR INFORMAL
DISCUSSION TSB ORGANIZATION, PROCEDURES AND WORK PROGRAM.
TWO FORMAL SESSIONS WERE HELD MORNING AND AFTERNOON
APRIL 22. JAPANESE AMB KITAHARA (CURRENTLY CHAIRMAN GATT CPS
HOSTED WORKING LUNCH AT HIS RESIDENCE
FOR TSB MEMBERS PLUS LONG.

2. TSB MEMBERSHIP (SUBJECT TWO OR THREE POSSIBLE
CHANGES AT LATER DATE, SEE BELOW) IS AS FOLLOWS:
CHAIRMAN, AMB WORTH; MEYNELL FOR EC; SENIOR COUNSELLOR
(JAPANESE MISSION) MIZOGUCHI WITH ALTERNATE COUNSELLOR
WADA FOR JAPAN; SENIOR COUNSELLOR CHUNG (ROC MISSION)
WITH ALTERNATE DORWARD OF HONG KONG; ABEL GARRIDO RUIZ
FOR MEXICO WITH ALTERNATE DR. DINZEL (MIN. TRADE INDUSTRY,
VIENNA) OF AUSTRIA; SENIOR COUNSELLOR SALEEM (PAKISTAN
MISSION) FOR PAKISTAN; SENIOR COUNSELLOR COLLIANDER
(SWEDISH MISSION) FOR SWEDEN WITH ALTERNATE MACKILLOP
FROM OTTAWA FOR CANADA; MINISTER (AND CHARGE) TOMIC FOR YUGOSLAVIA;
AND PHELAN FOR US.

3. FROM CONVERSATIONS THIS WEEK WITH DIRGEN LONG,
PATTERSON, REED AND SALIB OF SECRETARIAT AND WITH OTHER
TSB MEMBERS, US REP UNDERSTANDS THAT EC REPRESENTATION
ON TSB IS SUBJECT CONFLICT BETWEEN COMMISSION AND
MEMBER STATES, PARTICULARLY FRANCE. WHILE MEMBER STATES
APPARENTLY WILLING ACCEPT MEYNELL AS TSB REP, REPORTEDLY
THEY ARE FEFUSING ACCEPT DESIGNATION ANY OTHER COMMISSION
OFFICIAL AS ALTERNATE WHICH DESIGNATION, OF COURSE, IS
BEING PUSHED BY COMMISSION. MEYNELL ARRIVED FOR MEETING
ACCOMPANIED BY TWO ADVISERS KUSHEL
FROM BONN AND GRIFFO FROM EC COUNCIL. ONLY AFTER
SERIES ASCERBIC EXCHANGES WITH MEYNELL DID LONG
AGREE TO SEATING MEYNELL'S ADVISERS IN ROOM AND THEN
ONLY ON BASIS SUCH SEATING WOULD NOT CONSTITUTE PRECE-
DENT. AT FORMAL MEETING APRIL 23, MEYNELL'S ADVISER
STAFF WAS INCREASED TO THREE BY APPEARANCE PIERRE
COLMANT FOR FRANCE. OBVIOUSLY ON INSTRUCTION FROM
LONG, CHAIRMAN WORTH, AT FORMAL MEETING, PRESSED MEYNELL
FOR NOMINATION OF ALTERNATE AND AGREEMENT ON LIMITA-
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TION NUMBER EC "ADVISERS". MEYNELL RESPONSE WAS, AS
EXPECTED, EVASIVE PATTERSON INDICATED TO PHELAN
TODAY THAT LONG IS VERY UNHAPPY WITH THIS SITUATION
AND INTENDS BRING PRESSURE ON COMMISSION AND MEMBER
STATES TO: A) FIX ON A TSB REP AND ALTERNATE; AND B)
DROP DEMANDS TO SEAT "ADVISERS" IN TSB MEETINGS.
HEART OF PROBLEM IS THAT MEYNELL CAN'T BE CONTINUOUSLY
IN GENEVA AND LONG FEELS VERY STRONGLY THAT, IF TSB

IS TO BE VIABLE BODY, TSB REPRESENTATION MUST BE COMPLETE WITH A MEMBER AND/OR ALTERNATE WITH AUTHORITY CONTINUOUSLY PHYSICALLY PRESENT IN GENEVA. WITH EXCEPTION OF MEYNELL, ALL OTHER MEMBERS PRESENT, INCLUDING US REP, SUPPORTED THIS POSITION.

4. KOREAN REP CHUNG IS DCM KOREAN MISSION HERE AND TOTALLY IN DARK REGARDING TEXTILE TRADE MATTERS AND BACKGROUND TO NEW ARRANGEMENT. IT IS UNDERSTOOD HERE THAT SEOUL COULD NOT PRODUCE A MAN WITH REQUISITE RANK, LANGUAGE AND TECHNICAL KNOWLEDGE. THIS MAY EXPLAIN HONG KONG DECISION MOVE FORWARD TO GENEVA.

5. MEXICO WILL BE REPRESENTED BY GARRIDO UNTIL JULY 1 WHEN AUSTRIAN ALTERNATE WILL BECOME REP. SPAIN WILL REPLACE AUSTRIA FOR LAST QUARTER THIS YEAR. COLOMBIA HAD NOMINATED MAN TO BE YUGOSLAVI'S (TOMIC) ALTERNATE BUT FOR SOME UNKNOWN REASON A HITCH DEVELOPED AND THE COLOMBIAN ALTERNATE DID NOT APPEAR FOR THIS MEETING. SWEDEN'S ALTERNATE, MACKILLOP FROM OTTAWA WAS TEMPORARY REPLACEMENT FOR PETER CLARK OF CANADA PERM DEL HERE WHO WAS DETAINED IN VISIT OTTAWA BY ILLNESS. LIKEWISE, PAKISTAN'S ALTERNATE, MINISTER CHADHA (INDIA) WAS INVOLVED WITH INDIAN UN DEL IN NEW YORK AND UNABLE ATTEND.

6. IN THE THREE WORKING SESSIONS (CONCLUDED EVENING APRIL 23) THE FOLLOWING GENERAL UNDERSTANDINGS WERE REACHED: A) THAT PRIMARY FUNCTION OF TSB WOULD BE CONCILIATION AND PRIVISION "GOOD OFFICES"; B) THERE WOULD BE NO VOTING AND THAT FINDINGS AND RECOMMENDATIONS WOULD BE BY "CONSENSUS"--CONSENSUS MAY PROVE DIFFICULT OF DEFINITION AT A LATER DATE BUT IT IS CLEAR THAT ANY EFFORT TO DEFINE IT SHOULD BE POSTPONED AS LONG AS CONFIDENTIAL

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POSSIBLE; C) THAT TSB MEMBER COUNTRIES COULD HAVE

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C O N F I D E N T I A L SECTION 02 OF 02 GENEVA 2614

MEXICO CITY PASS MINISTER JURICH

"INFORMAL CONSTITUENCIES" OF OTHER COUNTRIES WHO
MIGHT FEEL THAT THEY HAD A "FRIEND AT COURT". HOW-
EVER, RELATIONSHIP WITH THE TSB MEMBER REP WOULD BE
CONFINED TO CONSULTATION AND EXCHANGE OF INFORMATION
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WITH ADVOCACY ON THE PART OF THE MEMBER REP IN BEHALF
OF HIS CONSTITUENCY EXPRESSLY PROHIBITED; AND, D) THAT
THE TSB WOULD RECONVENE ON MAY 20 ON A PERMANENT
STANDING BASIS (EC REP, WITHOUT ENTERING FORMAL RESER-
VATION, SUGGESTED STANDING BASIS MIGHT NOT BE NECESSARY).

7. ONE IMPORTANT ISSUE DID ARISE WHICH IS UNRESOLVED
AND WHICH WILL HAVE TO BE CONFRONTED SOONER OR LATER.

THIS REGARDS THT STATUS OF A TSB MEMBER WHEN HIS COUNTRY IS INVOLVED IN AN ISSUE WITH A COUNTRY WHICH IS NOT REPRESENTED ON THE TSB. KOREA, MEXICO AND PAKISTAN REPS MADE STRONG STATEMENTS PROPOSING THAT THE MEMBER CONCERNED SHOULD STEP DOWN WHILE SUCH ISSUE IS UNDER CONSIDERATION. US, SWEDEN AND YUGOSLAVIA REPS JOINED IN OPPOSITION THIS IDEA. JAPANESE REP ASSERTED THIS WAS VERY IMPORTANT ISSUE WHICH REQUIRED STUDY AND REFLECTION AND SUGGESTED THAT FURTHER DISCUSSION THIS MATTER BE DEFERRED UNTIL SUCH TIME AS A DECISION HAD TO BE MADE. THE EC REP'S VIEWS PARALLELED THOSE OF JAPAN AND IT WAS AGREED TO DEFER FURTHER DISCUSSION.

8. AT LAST SESSION EVENING APRIL 23 SECRETARIAT DISTRIBUTED VOLUMINOUS FILE OF RESTRAINT NOTIFICATIONS RECEIVED THUS FAR. TSB'S FIRST TASK IS TO EXAMINE NOTIFICATIONS TO SEE IF THEY ARE COMPLETE AND IN ACCORDANCE WITH THE GENERAL UNDERSTANDING ON NOTIFICATIONS REACHED DURING THE NEGOTIATION OF THE ARRANGEMENT AND AS FURTHER DISCUSSED AT THE LAST TEXTILE COMMITTEE MEETING.

9. IN DISCUSSING MEETING OF TECHNICAL SUB-GROUP (STATISTICAL) IT BECAME CLEAR THAT STATISTICAL DIVISION OF SECRETARIAT HAD SOME IDEA OF EXPANDING ITS FUNCTION TO INCLUDE COLLECTION AND ANALYSIS OF STATISTICAL DATA FOR SUBMISSION TO TSB AS "VALID EVIDENCE" TO BE CONSIDERED WHEN REVIEWING CLAIMS OF MARKET DISRUPTION. US REP SPOKE AT SOME LENGTH AGAINST SUCH A FUNCTION, POINTING OUT THAT COUNTIRES CONCERNED IN A DISPUTE WOULD, IN ANY EVENT, BE REQUIRED TO PRESENT STATISTICAL EVIDENCE TO SUPPORT THEIR POSITION AND THAT THIS ACTION WOULD, IN VIEW OF THE CLEAR INTEREST OF THE CONFIDENTIAL

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COUNTRY CONCERNED, PROVIDE DETAIL BEYOND ANY THE SECRETARIAT COULD EXPECT TO RECEIVE ON A VOLUNTARY BASIS FROM ANY COUNTRY AND, FURTHER, THAT THE TSB MEMBERSHIP WAS PERFECTLY COMPETENT TO ASSESS THE VALIDITY OF ANY EVIDENCE, STATISTICAL OR OTHERWISE, WHICH WAS SUBMITTED TO IT. THE LATTER POINT WAS, FOR OBVIOUS REASONS, WELL RECEIVED AND SUPPORTED BY OTHER TSB MEMBER. HOWEVER, SINCE SOME OTHER PARTICIPANTS IN THE TECHNICAL SUB-GROUP MEETING WILL NOT BE AWARE OF THE TSB'S VIEWS IN THIS MATTER, THE US REP INTENDS TO REMAIN IN GENEVA AND ATTEND THE SUB-GROUP'S FIRST SESSIONS IN ORDER TO INSURE THAT THE SUB-GROUP DOES NOT COME UP WITH RECOMMENDATIONS WHICH MAY BE INIMICAL TO US AND TSB INTERESTS. PATTERSON, WHO WILL CHAIR SUB-GROUP MEETING, FULLY SUPPORTS US AND

TSB VIEWS IN THIS MATTER AND HAS SUGGESTED THAT THE
US REP SPEAK TO THE POINT AT THE BEGINNING OF THE
MEETING. OTHER TSB MEMBERS ARE EXPECTED TO DO LIKEWISE.
DALE

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Message Attributes

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